

It is my hope we will continue to look, with a sharp and clear eye, at the billions of dollars, the more than \$35 billion in first-quarter profits made by the five largest American oil firms. I have nothing against corporations making profits. In fact, that is what helps propel our economy. As we try to recover from this terrible recession, having a profitable private sector is the best way forward to help create jobs and to help grow our economy and to help deal with Federal revenues.

But the spending through our Tax Code—something that has accumulated on the underside of the American economy over the last decade—has to be stopped. We have to find ways to plug the holes through which billions in potential Federal revenue are leaking. I frankly think it is time for us to have a sensible national energy policy. And continuing to defend decades-old, needless tax breaks for major oil companies so that they can engage in manufacturing by extracting oil from the ground, for example—one of the five that would have been ended by this bill—is just senseless.

So it is my hope that we will reconsider; that as we move forward and try to find a way together to create jobs, to reduce spending and deal with our deficits, we will look hard at some of these outdated tax breaks that make it possible for bloated oil companies to make billions of dollars of profit off working Americans who pay too much at the pump.

NATIONAL POLICE WEEK

Mr. COONS. Mr. President, this week we are honoring the service and sacrifice of Americans who serve us as police.

May 15 to May 21 is National Police Week, and Americans all across this country will be recognizing those who serve and have served in police departments in communities from coast to coast. Law enforcement personnel and their families will also be coming together to hold memorials for those who have made the ultimate sacrifice and lost their lives in the line of duty.

National Police Week holds special significance to me because for the 6 years I served as county executive in New Castle County, DE, I was responsible for a police force that worked hard day and night to keep our community safe. Every year in May, I would gather with our law enforcement officers, with the Fraternal Order of Police, which so ably represented them, with the families of those who had served, and with the families of the one member of our law enforcement community, the New Castle County Police, who had been killed in the line of duty.

I often had differences with the Fraternal Order of Police in my 6 years of leadership, but I will tell you, they were great and tireless partners in standing up for the working men and woman who kept us safe each and every day. They kept us focused on of-

ficer safety, and they kept us focused on providing for them the equipment and the training and the support they so richly deserve.

I will tell you that each and every week that I would have a tough week, when we had difficult times dealing with local budgets or coming to compromise and making reasonable progress in the county, if I ever for a moment felt sorry for myself as I drove home from the county government center, all I needed to do was to turn on my police radio in my county car and listen to dispatch. There was always something going on. As every patrol car went out, as every squad responded to crises, I was reminded day-in and day-out of the incredible selfless service of the men and women of local law enforcement all over this country, these dedicated men and women who sacrifice time away from their families to put themselves daily in harm's way. And sadly, too often, it finds them.

Since the beginning of 2009, 122 American police officers have lost their lives in service to their local community. Today, I wish to focus on one—Patrolman Chad Spicer of Georgetown, DE. A Georgetown native, Chad attended the Sussex Central High School and graduated from Del Tech in 1999. Following 4 years with our State department of corrections, he began service with the police department in Bridgeville, later in the town of Laurel. In 2008, Chad joined the force in his hometown, fulfilling his greatest childhood dream.

On September 1, 2009, Chad and his partner, Corporal Shawn Brittingham, were in pursuit of a vehicle containing suspects in a robbery. The car abruptly stopped. Before the two officers had a chance to get out, a suspect fired a single gunshot at close range, killing Chad and, in a ricochet, seriously wounded his partner. The suspects were eventually apprehended and have been brought to trial.

Patrolman Chad Spicer was only 29 years old when he was murdered doing his job. He is survived by his fiancée, his beautiful young daughter Aubrey, his parents Ruth Ann and Norman, a brother, two sisters, and a family of fellow officers in Georgetown and across our State of Delaware.

His funeral service was one of the most moving experiences I have had in my adult life. Thousands of law enforcement professionals, men and women, and family members from literally all across our country gathered to pay tribute to this brave, likeable, dedicated young man who gave his life in the protection of our community.

Earlier this month, the people of Georgetown, DE, erected a memorial to Chad and his courage and the sacrifice he made for all of us. Georgetown Chief of Police Topping noted that: Everyone in town knew and liked Chad, even those from the roughest part of town, even those who were on the receiving end of his service to our community. Chad died protecting the community where he was born and raised, and los-

ing him to senseless violence like that had a devastating impact on the people of Georgetown and on our whole State.

Chad was the first Delaware police officer to die from wounds received in the line of duty since 1993. His loss is a constant reminder that law enforcement officers all over our country live with the daily reality that each time they go out on patrol, every time they report for duty, their lives may be put on the line as they serve their communities and our country.

This is why I think it is so important that the Federal Government continue to strengthen local police department capacities through things such as the Federal vest grant program that helps local law enforcement purchase bullet-proof vests and other critical police supplies. It is so important to me that when law enforcement—Federal, State, and local—work together, we can succeed in keeping Americans safe. There is always more we can do. This is why the Judiciary Committee will be holding a field hearing later next month in Wilmington, DE, to explore ways we can better improve the collaboration and cooperation between Federal and local law enforcement.

While we honor our men and women of law enforcement every day and every year, during National Police Week, we celebrate their service and sacrifice and thank them for being forever on watch.

In memory of Patrolman Chad Spicer and all of the other law enforcement professionals who have made the ultimate sacrifice, I today stand in memory of their service.

I yield the floor and suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. THUNE. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. THUNE. Madam President, I ask unanimous consent that speakers on the Republican side be allocated up to 10 minutes each.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ENTITLEMENT REFORM

Mr. THUNE. Last Friday, the Social Security trustees' report and the Medicare trustees' report were both released. They showed that as large as our debt and deficits are now, without tackling these two entitlements, our future debts and deficits will dwarf current levels. In fact, this year alone, Medicare is running a cashflow deficit of more than \$32 billion. This is the largest deficit ever for this program. Likewise, Social Security will run a cashflow deficit of \$46 billion this year. This requires the Treasury to finance

these programs through additional borrowing, adding even more to our deficit.

In total, Social Security faces a \$6.5 trillion unfunded liability. The reason for this, according to the report, is the aging of our society. As we live longer and as the size of families has decreased, the number of workers financing benefits has steadily decreased. For example, in 1950 there were 16½ workers for every Social Security recipient and life expectancy was 69 years old. By 1960, the number of workers supporting each recipient was just half of what it was 10 years before. Now there are fewer than three workers for each beneficiary. By 2040, it will be just over two.

Around the same time, in 2036, Social Security's trust fund will run out of all of the IOUs the government has issued to it. After this point, Social Security will be able to pay just over 75 percent of the current benefits. That is an important point because some say Social Security does not need to be reformed because these benefits are still going to be able to be paid. I think we have to remind ourselves of how this will work.

But you can see the demographic trend here, what is happening. Going back to the 1950s when you had a life expectancy that was shorter, you had more people paying in—16.5 for every 1 who was drawing out. Now we are looking at three people paying in for every one drawing out. And, of course, the life expectancy now is up to about 78 years average. In 2040, as I said earlier, there will be two people paying in for every one drawing out. So the crunch is coming. We all know that. We can predict it. We see it coming.

Of course, the expectation is that because the Social Security trust fund will be able to pay benefits until sometime in the 2037 timeframe, everything is OK; we do not need to take steps to rectify this situation today. The problem with that is the so-called IOUs in the Social Security trust fund are just more borrowing. When we get to that year, when we get to the 2036–2037 timeframe, there will only be about 75 cents coming in for every dollar that will have to be paid out. So you will have people who literally will take a huge cut in benefits or we would have to undergo a massive payroll tax increase in order to make that up or dramatically increase the borrowing of the Federal Government because, in fact, those IOUs in the trust funds are not an economic asset that can be used to pay a cash benefit. It is simply borrowing. We all know that. And I think the important date—in my mind, at least—is the date at which the amount we receive coming in to the Social Security trust fund in the form of payroll taxes no longer exceeds the amount we are paying out in the form of benefits. That happened this year to the tune of \$45 billion.

Many of us have committed to preserving these programs for existing retirees and for those who are about to

retire soon. If we do not reform Social Security, these cuts of nearly 25 percent would be instant and automatic, giving retirees no time to make other arrangements.

Working back from the 2036 date to ensure that the program remains solvent and can pay out benefits to future generations requires us to take action today. We do not have the luxury of time. We cannot afford to wait. The sooner we take action, the more time the current generation has to prepare for a realistic level of benefits and not be blindsided when their benefits are dramatically cut. Without reform, Americans aged 42 and younger will not see full Social Security benefits when they retire.

In addition to the aging population, the rapidly rising cost of health care is placing enormous pressure on the Medicare system. Despite the recently enacted health care reform legislation, health care costs rose by over 7 percent in 2010 compared to about a 1-percent increase in all other goods and services in the economy. The Medicare trustees reported that the program has an unfunded liability of nearly \$36.8 trillion and that the Medicare hospital insurance trust fund will be completely insolvent by the year 2024. Medicare spending is expected to rise from 3.6 percent of our entire economy—of our gross domestic product—in 2010, which is where it is today, to 10.7 percent in 2085. That means the amount of money the government spends on health care is going to triple over the next 75 years.

Now that, unbelievably, is the rosy picture of what will happen. Due to the double counting that occurred in unrealistic savings and targets that were included in the health care reform bill that was passed last year, these numbers are going to be invariably worse if further action is not taken.

Finally, the Medicaid system also faces nearly all the same increases in costs and funding challenges as the Medicare system, while also failing to provide States with the flexibility they need to provide quality care for beneficiaries.

Unfortunately, this administration and the last Congress made these problems even worse. Instead of reforming these entitlement programs, they created yet another new entitlement program called the CLASS Act, which even the Democratic chairman of the Senate Budget Committee has called a Ponzi scheme.

Included in the same health care bill passed last year was a massive expansion of Medicaid and the creation of new credits for individuals to buy insurance, all of which adds to the budget burdens we are already experiencing.

If these programs are not reformed, we know what we will face. Under the Congressional Budget Office's "alternative fiscal scenario" which makes realistic assumptions about the growth of these programs, spending in 2020 would comprise 25.9 percent of GDP,

more than 25 percent above the historical average. It would continue to grow, and in 2035 spending would comprise 35.2 percent of GDP or nearly 60 percent more than the historical average.

In that same year, deficits would comprise nearly 16 percent of the GDP of our entire economy, and debt would be 185 percent of GDP.

I want to illustrate that in the form of a chart and show you what this would look like. The historical average for deficits—3 percent, as I said. Look at what we faced in the last 40 to 50 years, roughly, and where that is headed in these outyears. As you look at 2010, how this thing spiked up in the last couple of years, we have added massively to the debt, the stimulus spending, the massive health care, the entitlement programs, all of which will make this worse. But we are on a trend to follow the trajectory where we will get to where the deficit is literally going to represent 61 percent of our entire economy.

That is a stunning path to be on—why it cries out for us to take the necessary steps to get back on the right fiscal track. Interest on the debt would comprise nearly 9 percent of our economy, half of which is paid to foreign debtors. We all talk about the impact of carrying this amount of debt. Today, we have so much debt that, in a few years, the amount we pay for interest will exceed the amount we spend on national security. In other words, we will spend more financing our debt and simply making the interest payments than we do defending the country.

Think about that. Think about where we have gotten to. Think about the fact too that if we saw even a 1-percent increase in interest rates, if interest rates went up 1 percent and we had to pay more to borrow money from those creditors, some of which are foreign countries, it would increase the interest we pay annually by \$140 billion. That is how sensitive we are to a slight increase in interest rates because of this massive debt. We passed, yesterday or the day before, the \$14.3 trillion level, the debt limit. We are going to have to raise the debt limit here. We don't know exactly when—sometime in July or August. But that is coming. We have maxed out our credit card, our borrowing authority, we have hit the limit, and in order to keep our economy functioning we have to increase the amount our country borrows.

If we follow the President's budget, we would double that in the next decade. We will go from \$14.3 trillion to literally over \$26 trillion in the next decade under the President's budget. Why? Because the President didn't make any attempt in his budget to reduce spending or reform entitlements—Social Security, Medicare, and Medicaid—which are the big drivers of Federal spending. If we don't take steps to reform those entitlement programs, this picture gets worse and worse over time.

I want to illustrate this with a chart. This is where we are today. This is debt as a share of the economy. As I said before, if you look at historical averages, what we have carried in the form of debt, in World War II, obviously, there was a big ramp-up because we had to finance the war and coming out of the war. As the economy started to expand and we got spending under control, the debt, as a percentage of our economy, started to come down to historical averages, which is where it stayed for about 40 to 50 years. It started to spike in the last couple of years, as we have seen spending increases. The reason is because the amount we spend as a percentage of our total economy has continued to tick up.

I mentioned earlier that we are looking at—what was the number—25.9 percent of GDP is what we will spend on the Federal Government in 2020, according to the CBO's alternative fiscal scenario. If you think about that, the amount we have spent historically as a percent of our economy on the Federal Government is 20.6 percent. That has been the 40-year average. We are going from 20.6 spending as a percent of our economy—the amount the Federal Government spends for our entire economic output—to 25.9 percent a decade from now. It continues to spike up. Because we are having to finance so much spending with borrowing, the borrowing level will increase dramatically, to the point where we are looking at debt to GDP—if we don't take steps to change, this is what we are looking at on this chart. It is a straight up spike in the amount of borrowing to GDP. This is pointed out too by where we are currently; right now, we are running somewhere in the \$1.4 trillion to \$1.6 trillion in annual deficits on \$3.8 trillion in total spending, which means that out of every dollar the Federal Government is spending, we are borrowing over 40 cents.

Can you imagine any family or business in this country that could continue to get by borrowing literally over 40 cents out of every dollar they spend? You cannot do it. That would be like the average family in this country having an annual income of about \$60,000 and spending \$110,000. You cannot do that. The Federal Government has been doing that for way too long. That is why we have to take on this issue of spending and debt.

Some people argue that we don't have enough revenue, we need to raise taxes, and that is the way to deal with this fiscal crisis to get more revenue coming into the Federal Government. I argue that, based upon these facts, this is not a revenue problem, this is a spending problem. The reason we are where we are is not because we don't have enough revenue, it is because we are spending dramatically more as a percentage of our economy than we have in the last 40 to 50 years. The historical average is 20.6 percent over the last 40 years—what we have spent on the Federal Government as a percent-

age of our entire economy—and today that is 24 percent, and by 2020 we are looking at over 25 percent—an increase of 25 percent in the amount we are spending on the Federal Government as a percentage of our entire economy. That is a spending problem, not a revenue problem.

We need to address this and recognize it, and we need to understand that the only way we can fix it is to deal with what is driving that spending. It is Social Security, Medicare, and Medicaid. Those programs comprise 55 to 60 percent of all of government spending. Absent reforms to those programs, this is what we will end up with; this is where we will be as a nation. That is certainly someplace I don't think most Americans want to go.

The other reason is critically important. I have said this before, and I will say it again. It has implications not only for future generations but in the here and now. One is that when you are carrying this kind of debt to GDP, sustaining this kind of debt level, it impacts your economy's ability to create jobs, because you are crowding out private investment that otherwise would be allocated to more productive uses, and you are spending it on the government. You are also impacting interest rates and inflation in ways that could be counter to the economic expansion, growth, and job creation in this country. There has been a great amount of research and study that has gone into at what level does that start to take away from economic growth, economic expansion, and job creation?

Two people who have recently put out a book; Carmen Reinhart and Kenneth Rogoff have suggested, from their study of developed countries over the last half century, that when your debt to GDP reaches 90 percent, it is costing you about 1 percentage point of economic growth every year. In this country, losing 1 percentage point of economic growth costs us about a million jobs. If we say we are serious about job creation, one of the problems we ought to focus on is getting spending and debt under control. If we sustain and carry this kind of debt level for the foreseeable future, we are going to cost the economy 1 percent of economic growth and, therefore, a significant amount of jobs that might have been created by that economy. That is one reason we need to rein it in.

The statement has been made repeatedly by ADM Mike Mullen that the greatest threat to our national security is our national debt. I would say that the national security implications are very real as well. When you have the highest ranking military official saying the greatest threat to America's national security is our national debt, that is a stunning statement. I think it speaks volumes about why it is important to get this issue under control.

One of the reasons he says that, obviously, is that so much of the debt is held by foreign countries, all of which have additional leverage on us because

we owe them so much money. We need to get spending under control and get the debt dealt with. That starts with entitlement reform. I hope the discussions currently occurring between the White House and some of the leaders here in the Congress will come to a result where we can work together and use this as an opportunity to, once and for all, put this country back on a fiscal track that will ensure that future generations are not burdened and saddled with an enormous amount of debt and an economy that is saddled with that weight and not able to create the jobs to get people back to work and to grow and prosper and create a higher quality of living and standard of living for the next generation.

I ask unanimous consent that the time of the quorum call be divided equally on both sides, and I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DURBIN. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. DURBIN. Madam President, I ask unanimous consent to speak as in morning business.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

OFFSHORE DRILLING

Mr. DURBIN. Madam President, today the Senate is going to consider a bill to increase offshore drilling. This is the Republican response to the Nation's need for a national energy policy and to rising gasoline prices. I believe the Republican approach to this will be unsuccessful. I believe it overlooks some very fundamental and basic facts, and the facts are these: We cannot drill our way out of our problem. If we take a look at all the known oil reserves in the United States offshore and onshore—all of them—they comprise 2 percent of the known oil reserves in the world—2 percent. Now take a look at how much oil the United States consumes each year: 25 percent of the world oil production.

The Republican answer is drill, baby, drill. Honestly, that is not going to solve the problem, and it is going to invite some dangerous activities that we should know better than to engage in. It has not been that long ago that 170 million gallons of oil poured out of a well that was improperly drilled by BP in the Gulf of Mexico. The devastation that followed to the local economy and to the environment is virtually incalculable. Have we learned a lesson—a lesson that safety should be the hallmark when it comes to drilling; that we ought to make certain that before